

WC 06-175

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September 12, 2006

VIA HAND DELIVERY

Federal Communications Commission
Wireline Competition Bureau - CPD - 214 Appls.
P.O. Box 358145
Pittsburgh, PA 15251-5145

**Consolidated Application for Authorization to Transfer Control of
Operator Service Company, LLC**

Dear Sir or Madam:

Submitted herewith, are an original and five (5) copies of the Consolidated Application for Transfer Control of Operator Service Company, LLC and a completed Form 159 Remittance Advice, including the requisite fee payment in the amount of \$895 to cover the fees associated with the transfer of the domestic 214 authorization.

Questions concerning this application may be directed to John Blevins, Esq. at (202) 662-5443

Respectfully yours,

John Blevins/jb

John Blevins
Attorney for InfoNXX, Inc.

Enclosures

READ INSTRUCTIONS CAREFULLY
BEFORE PROCEEDING

FEDERAL COMMUNICATIONS COMMISSION
REMITTANCE ADVICE

Approved by OMB
3060-0589
Page 1 of 1

(1) LOCK BOX # 358145		SPECIAL USE ONLY	
		FCC USE ONLY	
SECTION A - PAYER INFORMATION			
(2) PAYER NAME (if paying by credit card enter name exactly as it appears on the card) Covington & Burling, LLP		(3) TOTAL AMOUNT PAID (U.S. Dollars and Cents) \$895.00	
(4) STREET ADDRESS LINE NO. 1 1201 Pennsylvania Avenue, NW			
(5) STREET ADDRESS LINE NO. 2			
(6) CITY Washington		(7) STATE DC	(8) ZIP CODE 20004
(9) DAYTIME TELEPHONE NUMBER (include area code)		(10) COUNTRY CODE (if not in U.S.A.)	
FCC REGISTRATION NUMBER (FRN) REQUIRED			
(11) PAYER (FRN) 0003738457		(12) FCC USE ONLY	
IF MORE THAN ONE APPLICANT, USE CONTINUATION SHEETS (FORM 159-C) COMPLETE SECTION BELOW FOR EACH SERVICE, IF MORE BOXES ARE NEEDED, USE CONTINUATION SHEET			
(13) APPLICANT NAME BC Holding III Corporation			
(14) STREET ADDRESS LINE NO. 1 C/O Platinum Equity			
(15) STREET ADDRESS LINE NO. 2 2049 Century Park East, Suite 2700			
(16) CITY Los Angeles		(17) STATE CA	(18) ZIP CODE 90067
(19) DAYTIME TELEPHONE NUMBER (include area code) 310-712-1195		(20) COUNTRY CODE (if not in U.S.A.)	
FCC REGISTRATION NUMBER (FRN) REQUIRED			
(21) APPLICANT (FRN) 0015487473		(22) FCC USE ONLY	
COMPLETE SECTION C FOR EACH SERVICE, IF MORE BOXES ARE NEEDED, USE CONTINUATION SHEET			
(23A) CALL SIGN/OTHER ID	(24A) PAYMENT TYPE CODE CUT	(25A) QUANTITY 1	
(26A) FEE DUE FOR (PTC) \$895.00	(27A) TOTAL FEE \$895.00	FCC USE ONLY	
(28A) FCC CODE 1		(29A) FCC CODE 2	
(23B) CALL SIGN/OTHER ID	(24B) PAYMENT TYPE CODE	(25B) QUANTITY	
(26B) FEE DUE FOR (PTC)	(27B) TOTAL FEE	FCC USE ONLY	
(28B) FCC CODE 1		(29B) FCC CODE 2	
SECTION D - CERTIFICATION			
CERTIFICATION STATEMENT I, Sarah McMeans , certify under penalty of perjury that the foregoing and supporting information is true and correct to the best of my knowledge, information and belief.			
SIGNATURE <i>Sarah McMeans</i>		DATE 9/11/2006	

Before the
Federal Communications Commission
Washington, D.C. 20554

FCC/MELLON

SEP 12 2006

In the Matter of)
)
BC Holding III Corp.)
& Onslow Holdings, LLC, Transferors)
)
and)
)
InfoNXX, Inc., Transferee)
)
Consolidated Application for Authorization)
to Transfer Control of Operator Service Company)
Pursuant to Section 214 of the)
Communications Act of 1934)
and Petition for Waiver of Commission's Rules)

File No. ITC-T/C- _____

WCB Docket No. _____

To: International Bureau
Wireline Competition Bureau

**CONSOLIDATED APPLICATION FOR AUTHORIZATION TO TRANSFER
CONTROL OF OPERATOR SERVICE COMPANY
AND PETITION FOR WAIVER OF COMMISSION RULES**

Pursuant to Section 214 of the Communications Act of 1934, as amended (the "Act"), and Sections 63.03, 63.04 and 63.24 of the Commission's Rules, BC Holding III Corporation ("BC Holding") and Onslow Holdings, LLC ("Onslow") (collectively "Transferors"), along with InfoNXX, Inc. ("InfoNXX" or "Transferee") hereby seek authority to transfer control of Operator Service Company, LLC ("OSC") (collectively "Applicants"), which holds domestic and international Section 214 authorizations, to InfoNXX. In addition, Applicants request a waiver, pursuant to Section 1.3 of the Commission's Rules, because in order to avoid hardship on the Applicants and their customers, business exigencies, and the need to provide service to customers, the Applicants may have to close the transaction prior to Commission approval of the instant Application. The Applicants have entered into a purchase agreement by which InfoNXX

will purchase 100% of OSC's equity from BC Holding and Onslow, which hold a 51% and 49% ownership interest in OSC, respectively. As a result of the transfer, OSC will be a wholly-owned subsidiary of InfoNXX.

Pursuant to Section 63.04(b) of the Commission's Rules, the Applicants are filing a consolidated application for the proposed transfer of control of OSC's domestic and international Section 214 authorizations to InfoNXX. In Section V of this application, the Applicants provide the information required by Sections 63.18 and 63.24 of the Commission's Rules for transfer of the international authorization. As specified by Section 63.04(b) of the Commission's Rules, the additional information required for the transfer of the domestic authorizations is provided in Exhibit A.

Applicants respectfully request streamlined treatment of this Application pursuant to Sections 63.03 and 63.12 of the Commission's Rules. As shown below, both the domestic and international components of this application qualify for streamlined processing.

I. DESCRIPTION OF THE APPLICANTS

A. Transferors

The Transferors are BC Holding III Company ("BC Holding"), a Delaware corporation, and Onslow Holdings, LLC ("Onslow"), a California limited liability company. The Transferors own Operator Service Company, LLC ("OSC"), the licensee, which is a limited liability company incorporated in Delaware with headquarters in Texas. BC Holding holds a 51% ownership interest in OSC, whereas Onslow holds a 49% ownership interest. BC Holding is ultimately controlled by Platinum Equity, LLC.

OSC is a leading independent provider of operator services, directory assistance, and inbound customer care to the telecommunications industry. OSC holds Section 214

authorizations to provide domestic and international resale telecommunications services (it also offers information services). OSC is also certified nationwide (except in North Carolina) where it offers a variety of resale interexchange telecommunications services, but primarily operator-assisted services. OSC's service offerings are designed to enable its clients to focus internal resources on their core competencies while helping them to increase revenues, improve service quality and reduce costs.

B. Transferee

InfoNXX, Inc. (InfoNXX) is a privately-held company incorporated in Delaware, which is headquartered in Bethlehem, Pennsylvania. InfoNXX is currently the leading wholesale provider of directory assistance services (including enhanced services) to the wireless industry, and also provides wholesale directory assistance services to corporate customers and competitive local exchange carriers (CLECs). InfoNXX also supplies wholesale directory assistance services in the United Kingdom, and recently entered the market in France and Italy. InfoNXX operates call centers throughout the United States in Arizona, California, North Carolina, and Texas.

Since its founding in 1992, InfoNXX has grown from three employees to more than 6,000 U.S. employees. InfoNXX has pioneered many enhanced directory assistance services such as call completion (i.e., service that connects the caller directly to the number) and listings for information in addition to telephone numbers including local theaters, restaurant reservations, and driving directions.

II. DESCRIPTION OF THE TRANSACTION

Applicants will enter into a purchase agreement ("Agreement") by which InfoNXX will purchase all ownership interests in OSC in return for a cash payment to BC Holdings and Onslow and a full repayment of OSC's debt. BC Holding holds a 51% ownership interest in

OSC, whereas Onslow holds a 49% ownership interest. As a result of the Agreement, InfoNXX will own 100% of OSC's equity.

Following the Agreement, InfoNXX intends to assign OSC to its wholly-owned subsidiary, InfoNXX Operating Company. This assignment will be pro forma under 47 C.F.R. §63.24(d) because it will not result in a change in the actual controlling party.

III. PUBLIC INTEREST STATEMENT

The transfer of control to InfoNXX will serve the public interest. InfoNXX's experience and success in the directory assistance and enhanced services markets make it particularly well-qualified to operate OSC's business. Indeed, the transaction will be largely transparent to OSC's customers and will not have an adverse effect on them. These customers will continue to enjoy similar services, rates, and quality that OSC currently provides.

The Applicants expect that the Agreement will increase competitive choice for consumers by bringing together companies that possess singular experience and strategic vision in the telecommunications and enhanced services spheres. The directory assistance market is a competitive one in which numerous independent providers like InfoNXX compete against larger ILECs, including the RBOCs. In this respect, InfoNXX's purchase will increase its ability to provide meaningful competition against larger providers through greater efficiencies and economies of scale. This increased competitive power in turn will give rise to better prices, higher service quality, and increased innovation.

IV. APPROVAL OF A WAIVER IS IN THE PUBLIC INTEREST

As the Commission has repeatedly recognized, a "rule may be waived where the particular facts make strict compliance inconsistent with the public interest. In addition, the Commission may take into account considerations of hardship, equity, or more effective

implementation of overall policy on an individual basis.”¹ Here, the Applicants operate in a highly competitive business environment and have no market power in their respective markets. As a result, it would impose significant competitive hardship on the companies if they are not able to combine operations in a rapid and efficient matter. Specifically, the customers of Transferor may abandon its service if they do not obtain a timely substitute as Transferor prepares to exit that business. In addition, the inability to combine operations rapidly and efficiently would jeopardize the Applicants’ ability to place bids on Requests for Proposals (RFPs), which are a critical part of building a successful business in this market segment. Specifically, without the ability to combine in a timely manner, both parties might not be able to bid on RFPs while the transaction is pending, which would potentially jeopardize these vital accounts.

Because of these and other commercial exigencies, the Applicants may need to consummate the transaction prior to Commission approval of the instant Application. In that event, the Applicants respectfully request that the applicable Commission rules be waived. This waiver will serve the public interest because it will benefit the customers of Transferor, which will continue to enjoy uninterrupted service, and will benefit potential customers by creating more competition to meet their needs. Moreover, no parties will be harmed by the grant of the waiver, since the Applicants lack market power or any means to act in an unfair or unreasonable manner. Furthermore, as the Commission has observed in a case involving unauthorized transfer

¹ Order, *Request for Waiver of the Decision of the Universal Service Administrator by Douglas-Omaha Tech. Comm’n, Omaha, Nebraska*, File No. SLD 427054, DA 06-1658, 2006 WL 2403967 (rel. Aug. 18, 2006), at ¶ 5 (concluding that “waiver is appropriate if special circumstances warrant a deviation from the general rule, and such deviation would better serve the public interest than strict adherence to the general rule”); *see also WAIT Radio v. FCC*, 418 F.2d 1153, 1157 (D.C. Cir. 1969).

of control, the Applicants remain regulated entities subject to Commission oversight, and so any actions contrary to the Commission's rules remain subject to Commission review.² For all of these reasons, we respectfully request that the Commission waive any applicable rules that may be violated if the transaction is consummated prior to final Commission action.

**V. REQUEST TO TRANSFER CONTROL OF INTERNATIONAL SECTION 214
AUTHORIZATION UNDER SECTION 63.24**

In accordance with Sections 63.18 and 63.24(e) of the Commission's Rules, the Applicants submit the following information in support of this application:

Information for Transferors and Transferee

(a) Name, address and telephone number:

Transferors:

BC Holding III Corporation
c/o Platinum Equity
2049 Century Park East, Suite 2700
Los Angeles, CA 90067
310-712-1195

Onslow Holdings, LLC
19 La Cintilla
Orinda, CA 94563

Licensee:

Operator Service Company, LLC
5302 Avenue Q
Lubbock, TX 79412
806-747-2474

² Memorandum Opinion and Order, *In the Matter of IDB Communications Group, Inc. and Southwest Communications, Inc.*, 10 FCC Rcd. 1110, ¶23 (1994) ("[W]e do not believe that the public interest would be served by holding up the proposed acquisition of IDB by LDDS even if there has been an unauthorized transfer of control of IDB Mobile.").

Transferee:

InfoNXX, Inc.
3864 Courtney St., Suite 411
Bethlehem, PA 18017
610-997-1000

(b) Corporate Organization:

Transferors:

BC Holding is a corporation organized under the laws of Delaware.

Onslow is a limited liability company organized under the laws of California.

Licensee:

OSC is a limited liability company organized under the laws of Delaware.

Transferee:

InfoNXX is a corporation organized under the laws of Delaware.

(c) Contact Information:

Transferor:

BC Holding
c/o Platinum Equity
Eva M. Kalawski, Vice President and Secretary
2049 Century Park East, Suite 2700
Los Angeles, CA 90067
310-712-1195

Onslow

Steve Baus, CEO
19 La Cintilla
Orinda, CA 94563

Licensee:

Jill Froman, CFO
Operator Service Company, LLC
5302 Avenue Q
Lubbock, TX 79412

806-747-2474

Transferee:

Scott DeNardo
US General Counsel
InfoNXX, Inc.
3864 Courtney St., Suite 411
Bethlehem, PA 18017
(610) 997-1000
scott.denardo@infonxx.com

(d) International Section 214 Authorizations:

OSC holds an authorization under Section 214 of the Act to provide international resale telecommunications services. *See* File No. ITC-92-17 (approval granted Oct. 29, 1992).

Information for Transferee

(h) Ten Percent or Greater Interest Holders:

The following persons or entities own (directly or indirectly) at least ten percent (10%) of the equity of InfoNXX:

Name/Address	Citizenship	Principal Business	Percentage Owned
Pines INFONXX, Inc. Attention: Robert A. Pines 136 East 79 th St., PH-15-A New York, NY 10021	Delaware	Investor	16%
Thomas Tisch Trusts 667 Madison Ave., 7 th Floor New York, NY 10021-8087	New York	Investor	13%
TCV 528 Ramona St. Palo Alto, CA 94301	Delaware Limited Partnership	Investor – Venture Capital Firm	14%
Marwell INFONXX, Inc. Attention: Evan C. Marwell C/O Criterion Capital Mgt. 435 Pacific Ave. San Francisco, CA 94133	Delaware	Investor	10%

(i) Foreign Carrier Affiliation:

As evidenced by the certification attached to this Application, InfoNXX certifies that it is not affiliated with a foreign carrier.

(j) Foreign Carrier and Destination Countries:

As evidenced by the certification attached to this Application, InfoNXX certifies that it does not seek to provide international telecommunications service to any destination where: (1) InfoNXX is a foreign carrier in that country; (2) InfoNXX controls a foreign carrier in that country; (3) any entity that owns more than a 25% interest in InfoNXX, or controls InfoNXX, controls a foreign carrier in that country; or (4) two or more parties own, in the aggregate, more than 25% of InfoNXX and are parties to, or the beneficiaries of, a contractual relationship that affects the provision or marketing of international basic telecommunications services in the United States.

(k) Showing of WTO Membership for Destination Countries:

Not applicable; InfoNXX is not affiliated or otherwise related to any foreign carrier on any international route which InfoNXX proposes to provide service.

(l), (m) Showing of Non-Dominance/Regulatory Classifications:

Not applicable; InfoNXX is not affiliated or otherwise related to any foreign carrier on any international route which InfoNXX proposes to provide service.

(n) Concessions:

As evidenced by the certification attached to this Application, InfoNXX certifies that it has not agreed and will not agree in the future to accept any direct or indirect special concessions from a foreign carrier or administration with regards to traffic or revenue flows between the United States and any foreign countries the company is authorized to serve.

(o) Federal Benefits:

As evidenced by the certification attached to this Application, InfoNXX certifies pursuant to Sections 1.2001 through 1.2003 that no party to the application is subject to a denial of Federal Benefits pursuant to Section 5301 of the Anti-Drug Abuse Act of 1988. *See* 21 U.S.C. § 862.

(p) Streamlined Processing:

This application is entitled to streamlined processing pursuant to Section 63.12 of the Commission's Rules because the information provided herein clearly demonstrates: (1) InfoNXX is not affiliated with a foreign carrier on any route for which authority is sought; (2) InfoNXX is not affiliated with any dominant U.S. carrier whose international switched or private lines services it seeks to resell; and (3) InfoNXX is not requesting authority to provide switched service over private lines to countries not previously authorized for service by the Commission.

EXHIBIT A

Domestic Supplement to Consolidated Application for Consent to Transfer Control

Pursuant to Section 63.04(b) of the Commission's Rules, 47 C.F.R. § 63.04(b), the Applicants submit the following additional information in support of their application to transfer control under Section 214 of the Act:

63.04(a)(6): Description of the Transaction

The proposed transaction is described in Section II of the Application.

63.04(a)(7): Description of Geographic Service Areas

OSC is certified to provide service nationwide except in North Carolina.

63.04(a)(8): Eligibility for Streamlined Processing

This Application qualifies for streamlined processing under Section 63.03 (1)(b) and (2), because:

- (1) neither Applicant nor Buyer are facilities-based carriers;
- (2) Buyer is not a telecommunications provider;
- (3) the proposed Transfer will result in Buyer having less than 10 percent share of the interstate, interexchange market;
- (4) no local exchange services are provided, and no incumbent local exchange carrier is a party to this Transfer;
- (5) neither Applicant nor Buyer is a dominant carrier with respect to any service.

63.04(a)(9): Other Related Applications

The Application for consent to transfer control of the international section 214 authorization is being submitted herewith.

63.04(a)(10): Statement of Imminent Business Failure

No party requests any special consideration as no party to the transaction is facing imminent business failure.

63.04(a)(11): Separately Filed Waiver Requests

The waiver request is provided in Section IV of the Application.

63.04(a)(12): Public Interest Statement


The public interest statement is provided in Section III of the Application.

CONCLUSION

Wherefore, Applicant InfoNXX respectfully requests that the Commission consent to the transfer of control of OSC, which holds domestic and international Section 214 authorizations, to InfoNXX in connection with the transaction described herein.

Respectfully submitted,

InfoNXX, INC.

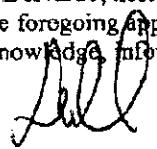


Scott DeNardo
US General Counsel
3864 Courtney Street, Suite 411
Bethlehem, PA 18017
(610) 997-1057

Dated: 9/8/06

CERTIFICATION OF APPLICANT

On behalf of InfoNXX, Inc. ("InfoNXX"), I, Scott DeNardo, hereby certify upon penalty of perjury that the statements and certifications in the foregoing application for transfer of control are true, complete, and correct to the best of my knowledge, information, and belief and such statements are made in good faith.



Scott DeNardo
Vice-President
US General Counsel
Assistant Secretary
3864 Courtney Street, Suite 411
Bethlehem, PA 18017
610-997-1057

Dated: 9/7/06